



# COMMISSION NEWS

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ARIZONA CORPORATION COMMISSION, 1200 W. WASHINGTON, PHOENIX, AZ 85007

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TO: EDITORS, NEWS DIRECTORS  
FOR: IMMEDIATE RELEASE

DATE: April 16, 1998  
CONTACT: Serri Davila (602) 542-7368

## **SCOTTSDALE-BASED COMPANY ORDERED TO STOP OFFERING AND SELLING LIMITED LIABILITY COMPANY MEMBERSHIPS**

**PHOENIX, AZ/April 16, 1998** – The Arizona Corporation Commission ordered Steven R. Vereen, 53, Douglas P. Avery, 45, Stephen Silberfarb, 43, Richard H. Jameson, 59, Darrell G. Hailstone, 56, Raymond D. Pollard, 47, all of Scottsdale; and Vaughn Dille, 50, of Mesa to stop offering and selling limited liability company membership interests.

Also named as Respondents in the Order are Hanover Financial Corporation ("Hanover") and Manhattan Financial Corporation ("Manhattan"), both Arizona corporations located in Scottsdale; Mayfair Group, L.L.C. ("Mayfair"), Anchor Trading Company, L.L.C. ("Anchor"), Executive Investment Group, L.L.C. ("Executive"), all Arizona limited liability companies located in Scottsdale; and Monument Financial Group, L.L.C. ("Monument"), a Utah limited liability company.

The named individuals are officers and/or directors in Hanover, Manhattan, Mayfair, Anchor, and Executive and used Hanover to solicit investors in the other five companies.

In a Special Public Meeting before Chairman-Commissioner Jim Irvin and Commissioner Carl J. Kunasek, the Arizona Corporation Commission Securities Division successfully argued that the public interest would be harmed if the Respondents were not ordered to stop selling limited liability company membership interests. The Commissioners approved the issuance of a Temporary Order to Cease and Desist against Respondents prohibiting them from offering and selling limited liability company membership interests. The Order will remain in effect for up to 120 days.

According to the Order, Respondents have been offering \$7,500,000 worth of unregistered securities in the form of limited liability company memberships. From at least October of 1997, Respondents collected \$50,000 from two Arizona investors. Hanover is an investment banking firm in the business of acquiring, managing, and developing small companies including Mayfair. Respondents offer and sell memberships in Anchor, Executive and Monument to finance the operations of Mayfair and other small companies that Hanover is developing. Respondents are offering and selling 100 memberships each in Anchor, Executive and Monument. Memberships are sold for \$25,000 apiece, resulting in a potential collection of \$2.5 million for each limited liability company.

Michael G. Burton, Sr., Director of the Securities Division, encourages "anyone who has invested with the Respondents to contact Beth Onufrey, Senior Investigator at the Securities Division at (602) 542-4242." The Securities Division urges the public to inquire into the registration status of both securities and securities salesmen before investing. The Division may be contacted at (602) 542-4242, by facsimile at (602) 594-7470, or by e-mail at [accsec@ccsd.cc.state.az.us](mailto:accsec@ccsd.cc.state.az.us).

## **BACKGROUND INFORMATION**

### **RAYMOND D. POLLARD**

Case File No. CR-012 in the office of the Clerk of the United States District Court for the District of Rhode Island. Pollard was indicted on one count of conspiracy to commit mail fraud and wire fraud, twelve counts of mail fraud, and twelve counts of wire

fraud. Pollard pled guilty to one count of conspiracy to commit mail fraud and wire fraud, one count of mail fraud, and one count of wire fraud. Pollard was sentenced to 30 month in the New York Federal Corrections Institution.

Case File No. 97080186 in the office of the clerk of the State of New York, Oneida County. Pollard was charged with possession of stolen property and petty larceny. Pollard pled guilty and was fined \$1,000.